

October 8, 1986

TO: File

FROM: Frank Filas, Reclamation Engineer

RE: Plan Review of The Goldstrike Mine Project, PRO/053/005,
Washington County, Utah

A ball park estimate for surety bond on the Goldstrike Mine Project is listed below.

Topsoil Placement & Earthwork	\$200,000.00
Final Grading & Revegetation	50,000.00
Demolition of Buildings, Cleanup, Misc.	25,000.00
SUBTOTAL	<u>\$275,000.00</u>
10% Contingency and Engineering costs	27,500.00
	<u>\$302,500.00</u>
Escalation five (5) years at 1.62%/yr	25,300.00
	<u>\$327,800.00</u>
TOTAL	\$327,800.00

This bond estimate is based on covering the waste dumps, tailings dump, the portion of the pits that are not highwall, and the haulage roads with one foot of topsoil and revegetating. It is also assumed that the leach ponds are filled in and reclaimed. This estimate does not include any costs for reestablishing original stream channels, but rather, assumes that the ephemeral streams are permanently diverted at the start of the project.

This estimate will increase considerably if additional clay and (or) topsoil is required to cover the tailings dump. Also the estimate assumes that the operator will obtain a variance for the 53 degree pit slope. If highwall stability cannot be proven, the pits will have to be reclaimed by backfilling, or by cutting the pit slope back to achieve a slope angle of 45 degrees or less.

Note - Bond estimate is subject to submittal of a complete Reclamation Plan

jvb
0141R-96

ARTESIAN BOND
50% COTTON FIBER
U.S.A.